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## ***Memorandum***

TO: BATA Oversight Committee

DATE: June 5, 2013

FR: Executive Director

W. I. 1254

RE: Contract Amendment – Collection Services FY 2012-13: Professional Account Management, LLC (\$225,000)

Staff requests that the Committee approve a contract amendment with Professional Account Management, LLC ("PAM") in an amount not to exceed \$225,000 for collection services for toll violations and delinquent FasTrak® accounts through June 30, 2013.

### **Background**

In May 2007 following a competitive procurement, the Commission approved a contract with PAM to perform collection services on toll violations and delinquent FasTrak® accounts.

PAM is reimbursed from its recoveries at 30% of violations and closed delinquent accounts as well as 40% of legal collections. Based on a total payment of \$308,900 in FY 2011-12, the FY 2012-13 budget was established at \$500,000 or collections of approximately \$1.7 million. However, because of a number of prior year accounts that were processed this year, collection costs are well over \$2 million to date and as a result, will exceed the FY 2012-13 contract budget. Staff projects the need for an additional \$225,000 to cover anticipated commissions for the remainder of FY 2012-13. If approved, the total FY 2012-13 amount would be \$725,000.

### **Recommendation**

Staff recommends that the Committee authorize the Executive Director or his designee to negotiate and enter into a contract amendment with PAM to add funds to the contract for collection services, in an amount not to exceed \$225,000 through June 30, 2013.

  
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Steve Heminger

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**REQUEST FOR COMMITTEE APPROVAL**  
**Summary of Proposed Contract Amendment**

Work Item No.:	1254
Vendor:	Professional Account Management, LLC, Milwaukee, WI
Work Project Title:	Collection Services
Purpose of Project:	Provide collection services for toll violations and delinquent FasTrak® accounts.
Brief Scope of Work:	Add funds for FY 2012-13 collection services for delinquent FasTrak® accounts and for toll violations occurring on the seven State-owned Bay Area bridges and Golden Gate Bridge. The seven Bay Area bridges are: Antioch, Benicia, Carquinez, Dumbarton, Richmond-San Rafael, San Francisco-Oakland, and San Mateo-Hayward.
Project Cost Not to Exceed:	\$225,000 (this amendment) Total for FY 2012-13 before this amendment: \$500,000 Total for FY 2012-13 after this amendment: \$725,000
Funding Source:	BATA violation revenue
Fiscal Impact:	FY 2012-13 Toll Bridge Operating Budget
Motion by Committee:	That the Executive Director or his designee is authorized to negotiate and enter into a contract amendment with Professional Account Management, LLC for the services described above and in the Executive Director's memorandum dated June 5, 2013, and the Chief Financial Officer is authorized to set aside funds in the amount of \$225,000 for such contract amendment.
BATA Oversight Committee:	<hr/> Bill Dodd, Chair
Approved:	Date: June 12, 2013